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**HIGHWOOD ASSET MANAGEMENT LTD. ANNOUNCES LISTING OF SUBSCRIPTION
RECEIPTS ON TSXV**

Calgary, Alberta, July 31, 2023

Highwood Asset Management Ltd. ("**Highwood**" or the "**Company**") (TSXV: HAM) is pleased to announce that, further to the Company's July 27, 2023 news release, the Subscription Receipts (as defined below) will be listed for trading on the TSX Venture Exchange ("**TSXV**") under the symbol "HAM.R" effective as of the opening of markets on August 1, 2023.

On July 27, 2023, the Company closed its previously announced "best efforts" marketed offering of subscription receipts (the "**Offering**"). Pursuant to the Offering, the Company issued and sold a total of 5,833,333 subscription receipts ("**Subscription Receipts**") at a price of \$6.00 per Subscription Receipt for gross proceeds of approximately \$35,000,000. The Offering was conducted pursuant to an agency agreement with a syndicate of agents led by RBC Capital Markets, Echelon Wealth Partners Inc. and Raymond James Ltd. (the "**Agents**").

Each Subscription Receipt represents the right of the holder to receive, upon closing of the previously announced proposed acquisition by the Company of each of Castlegate Energy Ltd., Boulder Energy Ltd. and Shale Petroleum Ltd. (collectively, the "**Acquisitions**"), without payment of additional consideration and without further action, one unit of the Company ("**Offered Unit**"). Each Offered Unit will be comprised of one common share of the Company ("**Common Share**") and one-half of one Common Share purchase warrant (each full warrant, a "**Warrant**") with each Warrant exercisable into one Common Share (each a "**Warrant Share**") at an exercise price of \$7.50 per Warrant Share for a period of 36 months from the issuance date of the Warrants.

The Company has granted to the Agents an option, exercisable at any time and from time to time until the earlier of (i) the date that is 30 days from the closing date of the Offering, and (ii) the occurrence of certain termination events with respect to the Subscription Receipts, for the offer and sale of up to an additional 874,999 Subscription Receipts, on the same terms and conditions as set forth above.

The gross proceeds of the Offering, less the portion of the Agents' fees and expenses that were paid on closing of the Offering, will be held in escrow and are intended to be used to partially fund the cash consideration payable in respect of the Acquisitions. If the Acquisitions do not close by September 8, 2023 or if any of the Acquisitions are terminated at an earlier time, the gross proceeds of the Offering and pro rata entitlement to interest earned or deemed to be earned on the escrowed amounts calculated from the closing of the Offering to, but excluding, the termination date, net of any applicable withholding taxes, will be paid to holders of the Subscription Receipts and the Subscription Receipts will be cancelled. Further information is provided in the Company's prospectus supplement dated July 12, 2023 to the amended and restated short form base shelf prospectus dated May 19, 2023 for the Provinces of British Columbia, Alberta, Saskatchewan and Ontario and the short form base shelf prospectus dated May 19, 2023 for the provinces of Manitoba and New Brunswick.

The Company has received all regulatory approvals to proceed with closing of the Acquisitions and is working towards an anticipated closing date for the Acquisitions in the first week of August, 2023.

About Highwood Asset Management Ltd.

Highwood Asset Management Ltd. (TSXV: HAM) is a growth orientated oil and gas exploration and production company committed to shareholder alignment with high insider ownership while creating long-term value for its shareholders. The Company has an extensive inventory of low-risk, oil development drilling locations focused primarily on horizontal multi-lateral development of its assets. Operating as a responsible corporate citizen is a key focus to ensure we deliver on our environmental, social and governance (ESG) commitments and goals. For more information, please visit the Company's website at www.highwoodmgmt.com.

Further Information

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Cautionary Note Regarding Forward-Looking Information

This news release contains certain statements and information, including forward-looking statements within the meaning of the "safe harbor" provisions of applicable securities laws, and which are collectively referred to herein as "forward-looking statements". The forward-looking statements contained in this news release are based on Highwood's current expectations, estimates, projections and assumptions in light of its experience and its perception of historical trends. When used in this news release, the words "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions and similar expressions, as they relate to Highwood or the proposed Acquisitions, are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Actual operational and financial results may differ materially from Highwood's expectations contained in the forward-looking statements as a result of various factors, many of which are beyond the control of the Company.

Undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements may include, but are not limited to, statements with respect to the ability to close the Acquisitions in the timeframe expected, or at all; listing of securities of Highwood on the TSXV, including the timing thereof, the adequacy of funds to fund the Acquisitions, and; the release of the escrowed funds and the anticipated use thereof. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties that could cause actual events or results to differ materially, including, but not limited to: inability to complete the Acquisitions; the conditions to completion of the Offering may not be satisfied; and the timing and receipt of applicable regulatory approvals for each of the Acquisitions and the Offering. With respect to forward-looking statements contained in this news release, the Company has made assumptions regarding, among other things, the timing of obtaining regulatory and third party approvals, as well as the completion of the Acquisitions. Although Highwood believes the expectations and material factors and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. Readers are cautioned not to place undue reliance on such forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur and the predictions, forecasts, projections and other forward-looking statements may not occur, which may cause Highwood's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by this news release.

A more complete discussion of the risks and uncertainties facing Highwood is disclosed in the prospectus supplement to the Company's amended and restated short form base shelf prospectus dated May 19, 2023 for the Provinces of British Columbia, Alberta, Saskatchewan and Ontario and the short form base shelf prospectus dated May 19, 2023 for the provinces of Manitoba

and New Brunswick and Highwood's continuous disclosure filings with Canadian securities regulatory authorities at www.sedar.com. All forward-looking information herein is qualified in its entirety by this cautionary statement, and Highwood disclaims any obligation to revise or update any such forward looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events, or developments, except as required by law.

All dollar figures included herein are presented in Canadian dollars, unless otherwise noted.